

where the IRS has been to some degree tempered by some Congressional action, the fact that they have said to the IRS, you have been misusing your power and abusing it and so they have said to them that you will have to file certain legal procedures. What I am saying, that within the State of Nebraska, we will have the same type of a procedure whereby if the IRS or anyone else believes for some reason or other that possibly you are not paying everything you should that they are going to have to go through a legal procedure to get access to your business records.

SENATOR CULLAN: Thank you very much, Senator Koch.

PRESIDENT: Senator Nichol.

SENATOR NICHOL: Senator Koch, Mr. Chairman, may I ask a question of Senator Koch.

SENATOR KOCH: Yes.

SENATOR NICHOL: The banks may disclose any information that they want to though, is that correct? If this bill passes, the banks may still disclose any information they want to.

SENATOR KOCH: Except if they feel that they should tell you that there is someone who has requested information on your account, and you can then defer and ask that they obtain a legal order saying that you have to allow your business account to be given to whoever it is that is seeking that information.

SENATOR NICHOL: But people may do that now, isn't that correct?

SENATOR KOCH: Yes. This would prescribe a legal procedure.

SENATOR NICHOL: But this bill would in no way prohibit the bank from giving out information that was necessary to do day to day business.

SENATOR KOCH: No, not on day to day business, no. I am talking about where there is a possibility of someone who is actually invading without good cause your privacy as far as your financial assets and so forth.

SENATOR NICHOL: That is fine. I agree to that. So who would be doing this? Who would be coming to the bank and say you have to disclose what Jerry Koch has in the bank or something of this nature?

SENATOR KOCH: Sometimes it may be, well, IRS is one of them I had in mind and there would be possibly, let's see, I suppose some businesses might be concerned if I were asking for some type of a loan but the bank would still give that to them if I had asked for a credit rating. But I basically was thinking of the IRS, Senator Nichol.

SENATOR NICHOL: Then this bill would prohibit the IRS from getting information that they use....

SENATOR KOCH: Without first going through the court and getting a legal order saying that they are going to examine my accounts.